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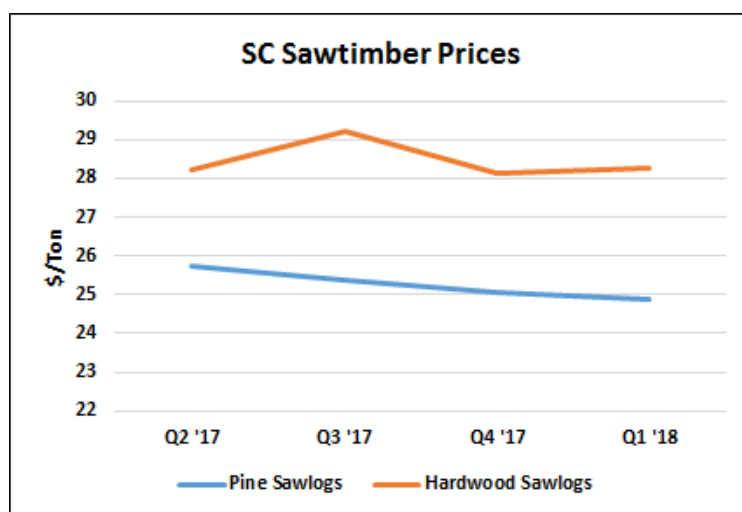
COOPERATIVE EXTENSION

SOUTH CAROLINA FORESTRY MARKET - QUARTERLY UPDATE

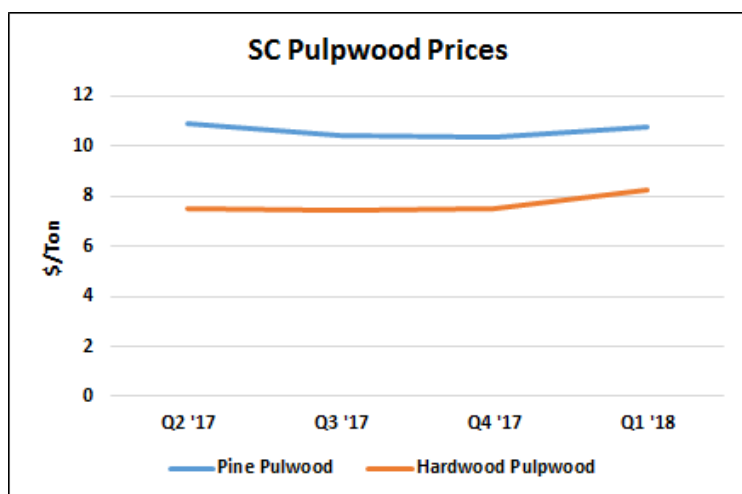
1st QUARTER, 2018

Stumpage Price Trends in SC

South Carolina statewide pine sawtimber prices, on average, were \$24.88/ton in the first quarter, 2018. Pine sawtimber price trends were down slightly from the previous quarter price (\$25.04/ton), and were down 3% from the price this same time the previous year. South Carolina statewide mixed hardwood sawtimber price, on average, were \$28.26 in this past quarter. These prices were up 5% from the first quarter of 2017, and up 1% from the previous quarter price (\$28.11/ton).



South Carolina statewide pine pulpwood prices, on average, were \$10.77/ton in this quarter, up 4% from the previous quarter (\$10.36) and 1% from the same time the previous year. South Carolina statewide hardwood pulpwood prices, on average, were \$8.24/ton in this quarter. These prices were up 10% from the previous quarter prices (\$7.52/ton), and were up 4% from the same period during the previous year.

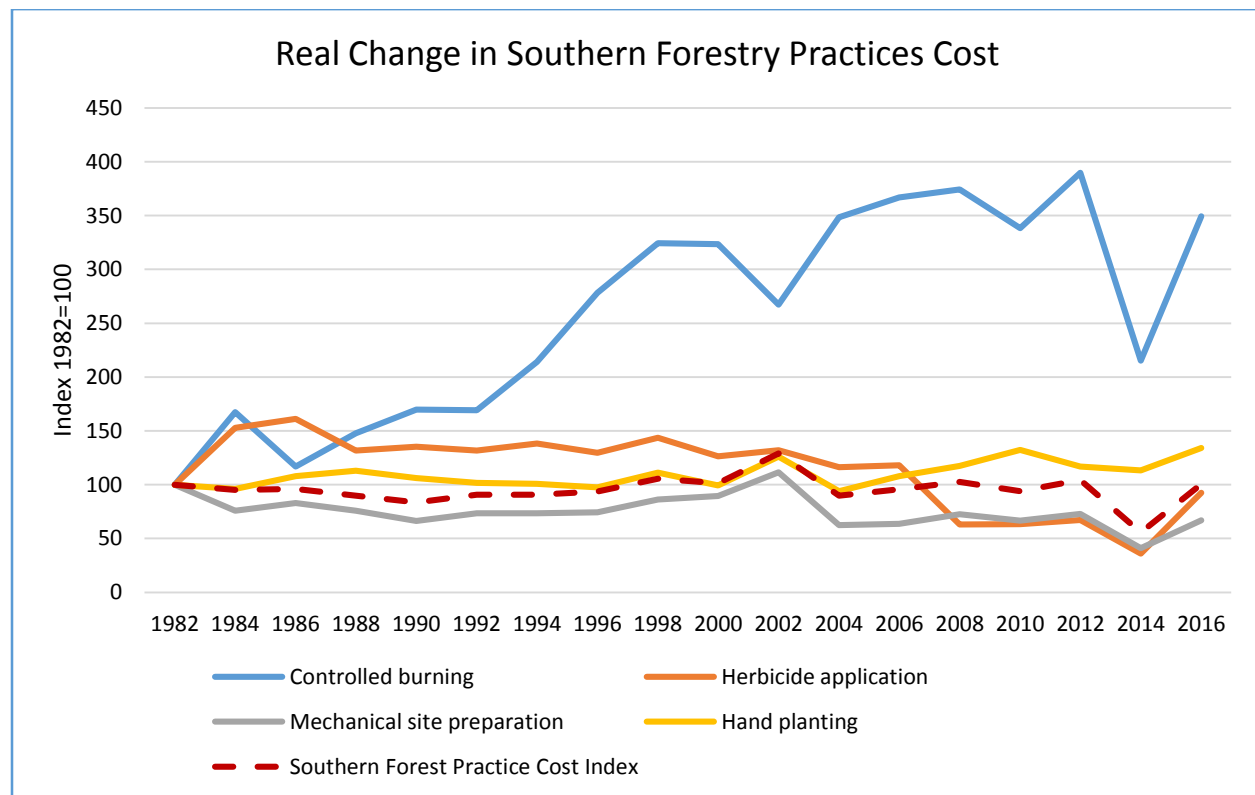


However, it is important to note that price trends in local markets could vary significantly depending on factors such as size and species composition, quality of timber, total acre and volume, logging operability, distance from mills, and current market conditions.

The timber and pulpwood price data included in this newsletter are published with permission from TimberMart-South, Warnell School of Forestry and Natural Resources, University of Georgia, Athens GA 30602 and email, tmart@uga.edu.

Is Timber Production Becoming More Expensive in SC?

Stumpage prices are just one side of the timber production equation. The other side is comprised of the costs incurred in growing the timber, and since most costs occur at and/or near the beginning of the rotation, changes in these costs ususally have a larger impact on the return than changes in stumpage values. Therefore it is imporant to understand whether these costs are changing in real terms when evaluating the future financial feasibility of timber management. The forestry practices cost graph below displays the change between 1982-2016.



Researchers at Clemson University recently examined changes (see above graph) in the costs of a number of forestry practices in the South (mechanical site preparation, herbicide application, planting, fertilization, etc.) as well as changes in the combination of these costs, represented by the Southern forestry practices cost index (SFPCI), between 1982 and 2016. The cost graph above uses 1982 as the base year with index value to be 100. This analysis indicated that the average rate of change for several forestry practices were less than half of one percent. However, several practices also showed more substantial real changes in cost. Practices with substantial cost increases included controlled burning, timber cruising, precommercial thinning and hand planting. The practice with the most notable cost decrease was mechanical site preparation, which decreased at a rate of more than one percent annually on average.

What does this all mean for forest landowners? Assuming viable markets for forest products in the future, landowners employing a wide array of practices should generally feel relatively optimistic about the prospect of financially viable, intensive forest management, as the increase in the cost of some practices may be offset by the decrease in the cost of others. However, landowners using a smaller variety of labor intensive practices may want to evaluate the impact that these practices have on their timber rotations and consider substituting or foregoing their use if necessary. It is also important to note that the two practices with the greatest increases in costs, controlled burning and timber cruising, are also the two least expensive practices, and so despite their increasing costs, they may still for the time being, have relatively little impact on a landowner's overall cost of production.

Upcoming Workshops for Forest Landowners in SC

- **Woodland Clinic: First Look.**

May 4th at Shuler's Barbeque in Latta, SC

- **Bobwhite Quail: History, Biology, and Practical Management for SC Landowners**

May 8th at Pee Dee REC in Florence, SC

May 21st at CF Evans Construction Company in Orangeburg, SC

May 31st at National Wild Turkey Federation in Edgefield, SC

- **Carbon Markets in South Carolina**

May 9th at Sandhill REC in Columbia, SC

- **Growing Our Future**

May 9th at T&S Farms, Leesville, SC

- **Learn to Burn**

May 16th at Webb Wildlife Center in Garnett, SC.

Clemson Extension employs Extension Specialists and Associates at the Clemson University Campus and the Baruch Institute of Coastal Ecology and Forest Science (Georgetown, SC) and Extension agents with primary Forestry and Wildlife Resources responsibilities across South Carolina. These county agents work closely with state Extension specialists and researchers located on campus and at the various research and education centers located across the state. They provide expertise in a range of topics covering many aspects of forestry, wildlife, and youth education. Click <http://www.clemson.edu/extension/forestry/index.html>.

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SC Forestry Market Quarterly Updates Archive, Click <https://www.clemson.edu/extension/timber-market/>